

Current Economic Indicators

Prepared by the Economic Analysis Department

New Business Incorporations
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News

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NEW INCORPORATIONS DECREASE 6.2 PERCENT IN AUGUST

NEW YORK, Nov. 1--New business incorporations decreased 6.2 percent to 56,688 in August 1989 from 60,447 in August 1988, according to The Dun & Bradstreet Corporation.

For the first eight months of 1989, the number of new incorporations remained virtually unchanged at 469,219.

Thirty states reported year-to-date increases, with seven reporting increases greater than 10 percent. Arkansas reported the largest gain, up 48.4 percent to 4,355 from 2,935; followed by Iowa, up 26.1 percent to 3,453 from 2,738; and Hawaii, up 20.4 percent to 2,483 from 2,062. Of the twenty states to report decreases in the first eight months of 1989, five were greater than 10 percent. The greatest decreases occurred in Colorado, down 17.4 percent to 9,775 from 11,838; Massachusetts, down 13.8 percent to 9,942 from 11,533; and New Hampshire, down 11.6 percent to 2,079 from

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2,351 the year earlier.

Five of the nation's nine U.S. Bureau of the Census regions reported year-to-date increases in new incorporations. The East South Central states reported the largest gain, up 7.5 percent to 18,657 from 17,360; followed by the West South Central states, up 6.9 percent to 38,761 from 36,264; the West North Central states, up 4.2 percent to 23,151 from 22,213; the East North Central states, up 3.5 percent to 63,193 from 61,035; and the South Atlantic states, up 2.7 percent to 129,154 from 125,758. The New England states reported the largest year-to-date decrease, down 8.4 percent to 25,159 from 27,481. Other decreases occurred in the Mountain states, down 6.4 percent to 32,527 from 34,753; the Pacific states, down 5.5 percent to 50,230 from 53,158; and the Middle Atlantic states, down 2.9 percent to 88,387 from 91,006 a year ago.

Month of August

Of the 15 states to report increases in new incorporations in August, four were greater than 15 percent. The greatest increase occurred in Iowa, up 93.0 percent to 635 in August of 1989 from 329 in August of 1988. Other significant increases were reported in Arkansas, up 60.0 percent to 432 from 270; and New Mexico, up 17.2 percent to 245 from 209.

Of the 35 states to report decreases in new incorporations in August of 1989, nine were greater than 20 percent. The most significant decrease occurred in Colorado, down 38.7 percent to 1,208 from 1,971 a year ago; followed

by New Hampshire, down 31.5 percent to 215 from 314; and Alaska, down 22.7 percent to 85 from 110.

Eight of the nine U.S. Bureau of the Census regions reported decreases in new incorporations for August. The largest decreases occurred in the Mountain states, down 18.7 percent to 4,037 from 4,964; and the Pacific states, down 15.4 percent to 6,124 in August of 1989 from 7,239 the year earlier. Other decreases were reported in the New England states, down 14.9 percent to 2,887 from 3,391; the East South Central states, down 7.9 percent to 2,079 from 2,258; the Middle Atlantic states, down 4.4 percent to 10,614 from 11,102; the South Atlantic states, down 3.1 percent to 16,101 from 16,620; the West South Central states, down 1.8 percent to 4,586 from 4,671; and the East North Central states, down 0.4 percent to 7,435 from 7,468.

The West North Central states was the only U.S. Bureau of the Census region to report an increase in new incorporations for August, up 3.3 percent to 2,825 in 1989 from 2,734 in August of 1988.

The largest number of new incorporations in August was reported in Florida, with 6,416, followed by New York, with 6,260 and California, with 4,248.

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(See Attached Tabular Data)

NEW BUSINESS INCORPORATIONS BY STATES AND GEOGRAPHIC REGIONS
(Not Seasonally Adjusted)

	Aug 1989	Jul 1989	% Change Jul 1989 Aug 1989	Aug 1988	% Change Aug 1988 Aug 1989	Total Eight Month(s) 1989	8 Month(s) 1988	% Change 8 Month(s) 89-88
NEW ENGLAND	2,887 E	2,798 E	3.2	3,391 R	-14.9	25,159 E-R	27,481	-8.4
Maine	252 E	249 E	1.2	282 R	-10.6	1,983 E	2,099	-5.5
New Hampshire	215	196	9.7	314	-31.5	2,079	2,351	-11.6
Vermont	156	128	21.9	169	-7.7	1,272	1,389	-8.4
Massachusetts	1,064	1,025	3.8	1,337	-20.4	9,942	11,533	-13.8
Connecticut	975 E	975 E	0.0	1,003	-2.8	7,575 E	7,748	-2.2
Rhode Island	225	225	0.0	286 R	-21.3	2,308	2,361	-2.2
MIDDLE ATLANTIC	10,614	9,010	17.8	11,102	-4.4	88,387	91,006	-2.9
New York	6,260	5,385	16.2	6,509	-3.8	51,638	53,385	-3.3
New Jersey	2,402	2,032	18.2	2,486	-3.4	21,121	22,733	-7.1
Pennsylvania	1,952	1,593	22.5	2,107	-7.4	15,628	14,888	5.0
EAST NORTH CENTRAL	7,435	6,705	10.9	7,468	-0.4	63,193	61,035	3.5
Ohio	1,327	1,334	-0.5	1,606	-17.4	12,892	13,041	-1.1
Indiana	1,212	1,022	18.6	1,095	10.7	9,463	9,112	3.9
Illinois	2,346	2,185	7.4	2,399	-2.2	19,767	19,181	3.1
Michigan	1,969	1,660	18.6	1,861	5.8	16,335	15,479	5.5
Wisconsin	581	504	15.3	507	14.6	4,736	4,222	12.2
WEST NORTH CENTRAL	2,825	2,781	1.6	2,734	3.3	23,151 E	22,213	4.2
Minnesota	731	683	7.0	776	-5.8	6,598	6,436	2.5
Iowa	635	659	-3.6	329	93.0	3,453	2,738	26.1
Missouri	803	763	5.2	894	-10.2	6,952	7,060	-1.5
North Dakota	62	62	0.0	68	-8.8	578 E	585	-1.2
South Dakota	87	56	55.4	81	7.4	657	660	-0.5
Nebraska	192	173	11.0	220	-12.7	1,872	1,757	6.5
Kansas	315	385	-18.2	366	-13.9	3,041 E	2,977	2.1
SOUTH ATLANTIC	16,101 E	14,283 E	12.7	16,620 E	-3.1	129,154 E-R	125,758	2.7
Maryland	1,673	1,258	33.0	1,472	13.7	12,046	11,428	5.4
Delaware	2,623	2,272	15.4	2,845	-7.8	20,988 R	20,946	0.2
Washington D.C.	188 E	188 E	0.0	188 E	0.0	1,504 E	1,504	0.0
Virginia	1,579	1,302	21.3	1,614	-2.2	12,433	11,939	4.1
West Virginia	202	212	-4.7	225	-10.2	1,850 R	1,836	0.8
North Carolina	1,136	870	30.6	1,132	0.4	9,256	8,593	7.7
South Carolina	615	522	17.8	533	15.4	4,773	4,261	12.0
Georgia	1,669	1,243	34.3	1,653	1.0	12,877	12,651	1.8
Florida	6,416	6,416	0.0	6,958	-7.8	53,427	52,600	1.6

NEW BUSINESS INCORPORATIONS BY STATES AND GEOGRAPHIC REGIONS
(Not Seasonally Adjusted)

	Aug 1989	Jul 1989	% Change Jul 1989 Aug 1989	Aug 1988	% Change Aug 1988 Aug 1989	Total Eight Month(s) 1989	3 Month(s) 1988	% Change 89-88
EAST SOUTH CENTRAL	2,079	1,948	6.7	2,258	-7.9	18,657	17,360	7.5
Kentucky	565	501	12.8	585	-3.4	4,819	4,600	4.8
Tennessee	733	629	16.5	769	-4.7	5,929	5,668	4.6
Alabama	460	560	-17.9	592	-22.3	5,254	4,709	11.6
Mississippi	321	258	24.4	312	2.9	2,655	2,383	11.4
WEST SOUTH CENTRAL	4,586 E	4,408	4.0	4,671 R	-1.8	38,761 E	36,264	6.9
Arkansas	432 E	517	-16.4	270 R	60.0	4,355 E	2,935	48.4
Louisiana	671	726	-7.6	844	-20.5	6,296	6,351	-0.9
Oklahoma	600	545	10.1	623	-3.7	5,024	5,027	-0.1
Texas	2,883	2,620	10.0	2,934	-1.7	23,086	21,951	5.2
MOUNTAIN	4,037	3,265	23.6	4,964	-18.7	32,527 E	34,753	-6.4
Montana	96	78	23.1	106	-9.4	918	878	4.6
Idaho	133	121	9.9	167	-20.4	1,324	1,274	3.9
Wyoming	72	64	12.5	77	-6.5	588	605	-2.8
Colorado	1,208	883	36.8	1,971	-38.7	9,775	11,838	-17.4
New Mexico	245	182	34.6	209	17.2	1,741	1,712	1.7
Arizona	960	749	28.2	1,189	-19.3	7,846 E	8,751	-10.3
Nevada	1,046	907	15.3	933	12.1	7,727	7,065	9.4
Utah	277	281	-1.4	312	-11.2	2,608	2,630	-0.8
PACIFIC	6,124 E	6,175 E	-0.8	7,239 R	-15.4	50,230 E-R	53,158	-5.5
Alaska	85	110	-22.7	110	-22.7	995 R	1,010	-1.5
Washington	857	865	-0.9	852	0.6	7,245	6,821	6.2
Oregon	630	591	6.6	588	7.1	5,190	4,963	4.6
California	4,248	4,306	-1.3	5,361	-20.8	34,317	38,302	-10.4
Hawaii	304 E	303 E	0.3	328 R	-7.3	2,483 E	2,062	20.4
TOTAL U.S. (unadjusted)	56,688 E	54,373 E	10.3	60,447 E-R	-6.2	469,219 E-R	469,028	0.0
TOTAL U.S. (seasonally adjusted)	56,575 E	54,478 E	3.8	59,730 E-R	-5.3			

(E) - Estimated

(R) - Revised

Source: Economic Analysis Department, The Dun & Bradstreet Corporation.
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